PLAZA ENTERTAINMENT, INC.

Producer and Distributor of Quality Family Programming

November 15, 1998

Mr. Joe Gerek
WRS FILM & VIDEO LABS, INC.
1000 Napor Blvd.,
Pittsburgh, PA 15205

RE: LOCK BOX ACCOUNT FOR "NATIONAL BANK OF CANADA"

Dear Joe:

As per our meetings in Los Angeles on Nov. 6th, we acknowledged that the Plaza Ent., Inc. board of director's approved and authorized that a "LOCK-BOX" account be opened at the National Bank of Canada. Accordingly, if you feel it is appropriate at this time to do so, please accept this letter as our confirmation of authority. Our Federal I.D. # is 95-458-0273.

However, as was also discussed, Plaza must wait to confirm that our proposed Accounts Receivable facility will be handled by the National Bank of Canada *before* we contact our customers with a change-of-payment venue notice. If for some reason, we end up utilizing another bank or financial institution for A.R. financing, we would need to direct payments to *that* account (not to the National Bank of Canada lock-box); so until we receive either a confirmation of an A.R. Line from your bankers, or some "interim" loan facilitated by WRS (beyond the duplication credit which you have so generously provided), we need to preserve Plaza's credibility with our customers by *waiting* to send new payment instructions. During this interim time frame, Plaza is maintaining the existing "Lock-Box" account with Bank of America... which serves the same function as one at National Bank of Canada (but does so without a constant shifting of payment instructions to our customers... which would absolutely hurt confidence in the company while serving no useful function at this time).

That said, it may make more sense to wait a few weeks before opening a Lock-Box account with National Bank of Canada. The income in 1999 of $20-million plus will *not* automatically go to their bank unless they show us some form of A.R. financing or good will during our difficult current cash flow crunch. They may have hurt Plaza's financing efforts substantially, by charging back our account to WRS ~ our largest and most important creditor. To open a Plaza Lock-Box Account with National Bank of Canada at this time may perpetuate the illusion that they will need to do nothing at all to receive the benefit of our 1999 deposits. Anyway, it's food for thought.

Sincerely,

Eric Parkinson,
President / C.E.O.

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